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DEPARTMENT OF COMMERCE

International Trade Administration

A-580-878

Corrosion-Resistant Steel Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) preliminary determines that producers and/or exporters subject to this administrative review did not made sales of subject merchandise at less than normal value (NV) during the period of review (POR), July 1, 2017 through June 30, 2018. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Lingjun Wang or Elfi Blum-Page, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2316 or (202) 482 -0197, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 25, 2016, Commerce published in the *Federal Register* an antidumping duty order on corrosion-resistant steel products (CORE) from the Republic of Korea (Korea).¹ On

¹ See *Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016); and *Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea, and Taiwan: Notice of Correction to the Antidumping Duty Orders*, 81 FR 58475 (August 25, 2016) (*Order*).

July 3, 2018, we published a notice of opportunity to request an administrative review of the *Order*.² On September 10, 2018, we initiated this review with respect to 16 producers and/or exporters of the subject merchandise based on timely filed requests.³ Commerce selected Dongkuk Steel Mill Co., Ltd. (Dongkuk), and Hyundai Steel Company (Hyundai) for individual examinations. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁴ A list of the topics discussed in the Preliminary Decision Memorandum is attached as the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

On January 28, 2019, Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018 through the resumption of

² *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 83 FR 31121 (July 3, 2018).

³ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 45596 (September 10, 2018) (*Initiation Notice*); *see also* Dongbu Steel, Co., Ltd.'s Letter, "Corrosion-Resistant Steel Products from Korea, Case No. A-580-878: Request for Administrative Review," dated July 26, 2018; Dongbu Incheon Steel Co., Ltd.'s Letter, "Corrosion-Resistant Steel Products from Korea, Case No. A-580-878: Request for Administrative Review," dated July 27, 2018; Dongkuk Steel Mill Co., Ltd.'s Letter, "Certain Corrosion-Resistant Steel Products from the Republic of Korea: Request for Administrative Review for the Period July 1, 2017-June 30, 2018," dated July 30, 2018; Hyundai Steel Company's Letter, "Corrosion-Resistant Steel Products (CORE) from the Republic of Korea: Administrative Review Request," dated July 31, 2018; and ArcelorMittal USA LLC, AK Steel Corporation, California Steel Industries, Inc., Steel Dynamics Inc., Nucor Corporation, and United States Steel Corporation's (collectively, petitioners) Letter, "Corrosion-Resistant Steel Products from the Republic of Korea: Petitioners' Request for Administrative Review," dated July 31, 2018.

⁴ *See* Memorandum, "Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Certain Corrosion-Resistant Steel Products from the Republic of Korea, 2017-2018," dated September 6, 2019 (Preliminary Decision Memorandum).

operations on January 29, 2019.⁵ On April 30, 2019, Commerce postponed the preliminary results of this review until September 6, 2019.⁶

Scope of the Order

The products covered by this order are certain flat-rolled steel products, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished, laminated, or coated with plastics or other non-metallic substances in addition to the metallic coating. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value (NV) is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Preliminary Determination of No Shipments

Samsung C&T Corporation (Samsung C&T), Hyosung Corporation (Hyosung) and Hyosung TNC each timely submitted certifications that they made no shipments of subject merchandise to the United States during the POR.⁷ Based on each company's certification and our analysis of U.S. Customs and Border Protection (CBP) information, we preliminarily

⁵ See Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

⁶ See Memorandum, "Certain Corrosion-Resistant Steel Products from the Republic of Korea: Extension of Deadline for Preliminary Results of Antidumping Administrative Review," dated April 30, 2019.

⁷ See Samsung C&T's Letter, "Antidumping Duty Administrative Review of Corrosion-Resistant Steel Products (CORE) from the Republic of Korea: Notice of No Sales," dated October 2, 2018; *see also* Hyosung TNC's Letter, "Certain Corrosion-Resistant Steel Products from the Republic of Korea: No Shipment Letter," dated October 10, 2018.

determine that these companies had no reviewable transactions during the POR. Consistent with our practice, we are not preliminarily rescinding the review with respect to these companies. Rather, we will complete the review for these companies and issue appropriate instructions to CBP based on the final results of this review. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Rate for Non-Examined Companies

The statute and Commerce's regulations do not address the establishment of a weighted-average dumping margin to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a less-than-fair-value (LTFV) investigation, for guidance when calculating the weighted-average dumping margin for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." However, section 735(c)(5)(B) of the Act states that if the weighted-average dumping margins for all individually examined exporters or producers are zero or *de minimis* or based entirely on facts available, then Commerce may use "any reasonable method" to establish the all-others rate, including averaging the weighted-average dumping margins for the individually examined companies.

Consistent with section 735(c)(5)(B) of the Act, we have determined that a reasonable method for determining the weighted-average dumping margin for each of the non-selected companies is to use the weighted-average dumping margin calculated for the mandatory

respondents in this administrative review. Although the weighted-average dumping margin calculated for both mandatory respondents is zero, these are the only rates calculated in this review and, thus, Commerce has determined the weighted-average dumping margin for the non-examined companies to be zero.⁸

Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period July 1, 2017 through June 30, 2018:

Exporter/ Producer	Weighted-Average Dumping Margin (Percent)
Dongkuk Steel Mill Co., Ltd.	0.00
Hyundai Steel Company	0.00
Non-Examined Companies ⁹	0.00

Assessment Rates

Upon issuance of the final results in this administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries in accordance with 19 CFR 351.212(b)(1). Where the mandatory respondents reported the entered value for their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where the mandatory respondents did not report entered value, we calculated the entered value in order to calculate the assessment rate. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within

⁸ See *Certain Lined Paper Products from India: Final Results of Antidumping Duty Administrative Review; 2016-2017*, 84 FR 23017 (May 21, 2019).

⁹ The Non-Examined Companies are: (1) Anjeon Tech Co., Ltd., (2) Benion Corp., (3) Dongbu Steel, Co., Ltd., (4) Dongbu Incheon Steel Co., Ltd., (5) GS Global Corp., (6) Kima Steel Corporation Ltd., (7) Mitsubishi Corp. (Korea) Ltd., (8) POSCO, (9) POSCO Coated & Color Steel Co., Ltd., (10) POSCO Daewoo Corporation, (11) SeAH Coated Metal Corporation, (12) Young Steel Co., Ltd.

the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average of the cash deposit rates calculated for the two mandatory respondents. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.¹⁰

For entries of subject merchandise during the POR produced by the respondent for which it did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment

¹⁰ See section 751(a)(2)(C) of the Act.

of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the underlying investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 8.32 percent, the all-others rate established in the underlying investigation.¹¹ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.¹²

Interested parties may submit case briefs for all issues except the alleged particular market situations no later than 30 days after the date of publication of this notice.¹³ Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹⁴ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁵ Case and rebuttal briefs should be filed using ACCESS.¹⁶

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed

¹¹ See *Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016), as amended by *Certain Corrosion-Resistant Steel Products from the Republic of Korea: Notice of Court Decision Not in Harmony with Final Determination of Investigation and Notice of Amended Final Results*, 83 FR 39054 (August 8, 2018).

¹² See 19 CFR 351.224(b).

¹³ Commerce will issue a briefing schedule for the alleged particular market situation at a date to be determined.

¹⁴ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

¹⁵ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁶ See 19 CFR 351.303.

electronically via ACCESS. An electronically-filed request for a hearing must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁷ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹⁸

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of these preliminary results in the *Federal Register*, unless otherwise extended.¹⁹

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

¹⁷ See 19 CFR 351.310(c); 19 CFR 351.303(b)(1).

¹⁸ See 19 CFR 351.310(c).

¹⁹ See Section 751(a)(3)(A) of the Act.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: September 6, 2019

Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

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